

ADVERTISING DISCLOSURE REQUIREMENTS

RE 858 (Rev. 1/00)

"What do I put in my ads to comply with the licensing disclosure requirements?"

A familiar question heard from brokers. Changes have occurred over the years in the required disclosures of license status and identification in advertising. The most recent changes occurred January 1, 2000. As it can be confusing, the following chart shows the required disclosures based on the purpose of the ad.

Advertising Media

The disclosures are required in all advertising including, but not limited to, flyers, mailers, TV, radio, newspapers, magazines, yellow pages and the Internet.

Questions?

If you have questions, please call the MLB Section at (916) 227-0770 or write to: Department of Real Estate, Attn: MLB Section, P.O. Box 187000, Sacramento, CA 95818-7000.

Required Disclosure to Appear in the Ad	Advertising Purpose		
	<i>Soliciting for Borrowers</i>	<i>Soliciting for Investors (Lenders)</i>	<i>All other Broker Advertising</i>
<i>Phrasing</i>	CA. Dept. of Real Estate - Real Estate Broker; <i>or</i> Real Estate Broker - CA. Dept. of Real Estate	Broker, agent, Realtor, loan correspondent or abbreviations bro., agt., or other similar terms or abbreviations	Broker, agent, Realtor, loan correspondent or abbreviations bro., agt., or other similar terms or abbreviations
<i>Identification Number</i>	8-digit broker license ID	8-digit broker license ID	N/A

PERTINENT CODES & REGULATIONS***Business & Professions (B&P) Code******Disclosure of Licensed Status in Advertising***

10140.6. A real estate licensee shall not publish, circulate, distribute, nor cause to be published, circulated, or distributed in any newspaper or periodical, or by mail any matter pertaining to any activity for which a real estate license is required which does not contain a designation disclosing that he is performing acts for which a real estate license is required.

The provisions of this section shall not apply to classified rental advertisements reciting the telephone number at the premises of the property offered for rent or the address of the property offered for rent.

Advertising of Loan — License Disclosure

10235.5. No real estate licensee shall place an advertisement disseminated primarily in this state for a loan unless there is disclosed within the printed text of that advertisement, or the oral text in the case of a radio or television advertisement, the license under which the loan would be made or arranged.

Disclosure of License Number/License Information Telephone Number

10236.4. (a) In compliance with Section 10235.5, every licensed real estate broker shall also display his or her license number on all advertisements where there is a solicitation for borrowers or potential investors.

(b) The disclosures required by Sections 10232.4 and 10240 shall include the licensee's license number and the department's license information telephone number.*

(c) This section shall become operative July 1, 1998.

[The DRE's licensing information telephone number is (916) 227-0931. This number is required to be on the Lender/Purchaser Disclosure Statement and the Mortgage Loan Disclosure Statement. The number not required on advertisements or loan solicitations.]*

Commissioner's Regulations***2770.1. Advertising — License Designation.***

Use of the terms broker, agent, Realtor, loan correspondent or the abbreviations bro., agt., or other similar terms or abbreviations, is deemed sufficient identification to fulfill the designation requirements of Section 10140.6 of the Business and Professions Code.

2847.3. Disclosure of License and Issuing Department

(a) Use of either of the following statements shall satisfy the requirements of Sections 10235.5 and 17539.4 of the Code:

- (1) Real estate broker, California Department of Real Estate.
- (2) California Department of Real Estate, real estate broker.
The words "California" and "Department" may be abbreviated only as "CA" or "CAL" or "Calif" and "Dept." A dash (-) may be used in lieu of the comma appearing in the statements set forth above in paragraphs (1) and (2).

(b) The type size of the statement shall be no less than the smallest size type used in the advertisement copy.

(c) Use of either statement as set forth in subdivision (a) will also satisfy the designation requirements of Section 10140.6 of the Code.